STATE OF MAINE
PUBLIC UTILITIES COMMISSION

April 26, 2002

CENTRAL MAINE POWER COMPANY
Request for Approval of Special
Contract for Service with the Town of Pittsfield

ORDER APPROVING SPECIAL CONTRACT

Docket No. 2002-183

WELCH, Chairman; NUGENT and DIAMOND, Commissioners

I. SUMMARY

In this Order, we approve a special services contract between Central Maine Power Company (CMP) and the Town of Pittsfield. The contract provides that a line extension presently owned by the Town of Pittsfield will continue to be owned by the Town even though it will begin to serve a Mr. George Trask, notwithstanding a requirement in CMP's Terms and Conditions that requires transfer to CMP when a customer-owned line extension begins to serve another customer. Because of this arrangement, it will not be necessary for Mr. Trask to pay federal and state income taxes on the "contribution in aid of construction" (CIAC) that CMP's Terms and Conditions would otherwise require him to pay if the Town were to transfer to line to CMP.

II. DISCUSSION

On April 3, 2002, CMP filed a request for approval by the Commission for waiver of the transfer requirement contained in its Term and Conditions. Nothing in any Maine statute allows the Commission to permit a utility to deviate from its approved Terms and Conditions. Indeed, 35-A M.R.S.A. §§ 309(1) and 701-703 all suggest that a utility cannot deviate from its tariffed rates or charges and associated Terms and Conditions. 35-A M.R.S.A. § 703(3-A) states, however, that the Commission may approve a "special contract" for the utility's "product or services." Attached to CMP's request for waiver is a contract between CMP and the Town of Pittsfield. We will consider CMP's request as one to approve a special contract rather than a request for waiver of its Terms and Conditions. We have altered the caption of this case accordingly.

Under the contract, the Town of Pittsfield will retain ownership of the line and the financial responsibility for maintenance. The line will serve Mr. Trask, who cannot afford to pay the CIAC tax but who needs electricity for medical reasons. Nothing in the contract states that any other person may be served from this line while Pittsfield continues to own it, and CMP's request states that it will not serve any other customer from the line.

Under the contract, the Town has agreed that CMP will perform maintenance on the line and bill the Town for its services. The policy requiring the transfer of a

customer-owned line extension to the utility when it will serve more than one customer is contained not only in CMPs' Terms and Conditions, but in our Chapter 395, which will become effective shortly. The major reason for this policy is to ensure that lines will be safely maintained. When the responsibility for maintenance is split among more than one owner, the risk that maintenance will not be performed increases substantially. The contract provides reasonable assurance that maintenance will be performed properly even though Pittsfield will continue to own the line while it serves another customer.

Accordingly, we

APPROVE

The special services contract attached to this Order, entered into by Central Maine Power Company and the Town of Pittsfield.

Dated at Augusta, Maine, this 26th day of April, 2002.

BY ORDER OF THE COMMISSION

Dennis L. Keschl
Administrative Director

COMMISSIONERS VOTING FOR: Welch

Diamond

COMMISSIONER ABSENT: Nugent

NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

- 1. <u>Reconsideration</u> of the Commission's Order may be requested under Section 1004 of the Commission's Rules of Practice and Procedure (65-407 C.M.R.110) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought.
- 2. <u>Appeal of a final decision</u> of the Commission may be taken to the Law Court by filing, within **21 days** of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320(1)-(4) and the Maine Rules of Appellate Procedure.
- 3. <u>Additional court review</u> of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320(5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.